November 3, 2003

Rick Sprott, Director Utah Division of Air Quality Utah Department of Environmental Quality P.O. Box 144820 Salt Lake City, UT 84114-4820

Attention: Nando Meli, NSR Engineer

Dear Director Mr. Sprott,

NOTICE OF INTENT: Experimental Demonstration Project for Over Fire Air

Intermountain Power Service Corporation (IPSC) is submitting this notice of intent (NOI) for an experimental approval order to continue a demonstration project on overfire air (OFA) at the Intermountain Generating Station (IGS) in Delta, Utah. The IGS is a coal-fired steam-electric generating plant located in Millard County.

PROJECT DESCRIPTION

IPSC installed a multi-port overfire air (OFA) system used to control NOx generation from coal combustion. IPSC was granted approval for installation and testing of the OFA system pursuant to an experimental approval order, #DAQE-AN0327012A-03.

PROJECT PURPOSE

IPSC installed OFA to demonstrate the effectiveness of overfire in NOx control, as well as data collection. Data collected is being utilized in permitting to assess the permit conditions for continuous operation of the OFA system, as well as setting parameters for good combustion practice. Further, the OFA system is being tested in a variety of operating scenarios and fuel mixes. IPSC has filed aA report has been filed with the Division of Air Quality containing sufficient data for permitting sufficient to establish permit conditions under a permanent approval order.

IPSC feels that continued operation of the OFA system is necessary to determine what long term anomalies may occur from day-to-day OFA operation. Fluctuations in fuel quality is particularly of particular interest to IPSC us. We believe the relationship established between boiler O2 levels and CO emissions will not change, and so we do not intend to perform any further testing in that regard.

REQUESTED PERMIT CONDITIONS

Since the testing period allowed by DAQE-AN0327012A-03 is soon to will expire soon, IPSC is requesting approval to continue to operate the OFA for an additional 180 days, which is a sufficient time period that long enough to allows further fine tuning of the OFA system (180 day continued test period.).

IPSC will operate the OFA in the same manner dietated by in conformity with the operating conditions of DAQE-AN0327012A-03. We do not believe emissions will change from the scope exceed those originally specified in the NOI for DAQE-AN0327012A-03, so; therefore, testing conditions would will not be necessary. IPSC also affirms that will operate the OFA system will not be operated in a manner that deviates from compliance with the current Title V Operating permit Permit conditions for IGS.

ENVIRONMENTAL IMPACT

1.

UDAQ should also consider the potential Rreductions in overall NOx emissions may occur during a continued-use the additional period of OFA operation requested in this letter. IPSC-We can-not project what the actual NOx reductions may entail, since the OFA system will be operated to keep CO emissions within below current permit levels, but; however we believe it the reductions may ean be significant for certain coal supplies when compared to combustion without OFA. There may also be times within the additional period requested in this letter in which we will elect not to operate OFA. In those circumstances, NOx emissions will not exceed the limits specified in the Title V Operating Permit for IGS.

Further, We should also note that the continued use of OFA ean-may result in higher ash sales, thus causing less ash to be landfilled. Accordingly, these impacts can be assumed to result in Therefore, we believe there is an environmental benefit when OFA is utilized.

If you have any questions, please contact Dennis Killian of my staff at 435-864-4414, or by e-mail at dennis-k@ipsc.com.

Cordially Very truly yours,

George W. Cross

President & Chief Operations Officer

BP/RJC:jg

cc: Blaine Ipson, IPSC

James Holtkamp, LLG&M Eric Tharp, LADWP November 3, 2003

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IPSC feels that continued operation of the OFA system is necessary to determine what long term anomalies may occur from day-to-day OFA operation. Fluctuations in fuel quality is of particular interest to us. We believe the relationship established between boiler O2 levels and CO emissions will not change, so we do not intend to perform any further testing in that regard.

REQUESTED PERMIT CONDITIONS

Since the testing period allowed by DAQE-AN0327012A-03 will expire soon, IPSC is requesting approval to continue to operate the OFA for an additional 180 days, which is a period long enough to allow further fine tuning of the OFA system.

IPSC will operate the OFA in conformity with the conditions of DAQE-AN0327012A-03. We do not believe emissions will exceed those originally specified in the NOI for DAQE-AN0327012A-03; therefore, testing conditions will not be necessary.

IPSC will operate the OFA system in compliance with the current Title V Operating Permit conditions for IGS.

ENVIRONMENTAL IMPACT

Reductions in overall NOx emissions may occur during the additional period of OFA operation requested in this letter. We cannot project the actual NOx reductions, since the OFA system will be operated to keep CO emissions below current permit levels; however we believe the reductions may be significant for certain coal supplies when compared to combustion without OFA. There may also be times within the additional period requested in this letter in which we will elect not to operate OFA. In those circumstances, NOx emissions will not exceed the limits specified in the Title V Operating Permit for IGS.

We should also note that the continued use of OFA may result in higher ash sales, thus causing less ash to be landfilled. Therefore, we believe there is an environmental benefit when OFA is utilized.

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